Congress of the United States Washington, DC 20515

May 20, 2021

The Honorable Isabella Casillas Guzman Administrator United States Small Business Administration 409 3rd Street, SW Washington, DC 20416

Dear Administrator Guzman:

On Monday, May 3, 2021, the Small Business Administration (SBA) launched the Restaurant Revitalization Fund (RRF), with \$28.6 billion being made available to assist restaurants impacted by COVID-19. By law, the RRF program followed a structured opening that required the first 21 days to be reserved for priority small businesses owned by women, veterans, and socially and economically disadvantaged individuals.

As of Tuesday, May 18, 2021, with six days still left in the priority period, the SBA reported that they had received and funded 38,000 priority applications for approximately \$6 billion. In this press statement, the SBA also stated that they have received 303,000 total applications that are currently awaiting processing for \$69 billion. Of the \$69 billion, the SBA estimates all of the appropriated funding will be granted to priority applicants. Because the submitted applications will exceed the total funding available for the program, the SBA is preparing to close the RRF portal on May 24, 2021, the day the priority period concludes. Therefore, the way the Democrats and the Biden Administration crafted the legislation, the program must turn away "non-priority" applications – which make up the majority of outstanding requests. This is unacceptable.

During the House Committee on Small Business Reconciliation markup in February, Committee Republicans offered amendments to increase the funding amount for this program. However, Committee Democrats opposed increased funding as part of their partisanship that left "non-priority" restaurant owner applications potentially in limbo.

If this were not alarming enough, according to the SBA's own press release, "RRF offers an opportunity for many businesses and individuals who have been excluded from the past relief efforts due to the lack of documentation or immigration status..." Why is the SBA giving preference to individuals that may lack documentation or an unknown immigration status over American citizens? It's a question that needs to be answered.

Due to these significant concerns, we request that the SBA provide detailed grant data to us by May 28, 2021. In your response, please specifically detail the categories of restaurant establishments that have received funding; the amount they have received by the state where they are located; the number of grantees that are undocumented; and the number of grantees that have an unknown immigration status.

Because the COVID-19 pandemic wreaked havor on every small business, regardless of its type, who owned it, or where it was located, the assistance granted to these entities must not discriminate. While we understand this may not have been the intended outcome of this priority

period, this process has led to the federal government picking winners and losers. This is not the American way. We can, and must, do better for our nation's restaurant establishments.

We look forward to your response. If you have questions about this request, please contact David Planning, Republican Staff Director, at (202) 225-5821.

Sincerely,

Jim Hagedorn (MN-01) Member of Congress

Roger Williams (TX-25) Vice Ranking Member

Committee on Small Business

Beth Van Duyne (TX-24) Member of Congress

Claudia Tenney (NY-22)

Member of Congress

Byron Donalds (FL-19) Member of Congress

Young Kim (CA-39) Member of Congress Blaine Luetkemever (MO-03)

Ranking Member

Committee on Small Business

Pete Stauber (MN-08) Member of Congress

Dan Meuser (PA-09) Member of Congress

Maria Elvira Salazar (FL-27)

Member of Congress

Scott Fitzgerald (WI-05)

Member of Congress

Andrew R. Garbarino (NY-02)

Member of Congress